

25 September 1947

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MEMORANDUM FOR THE DIRECTOR

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Subject: CIA Authority to Perform Propaganda and  
Commando Type Functions

1. A review of the National Security Act reveals two provisions which might be construed as authority for CIA to engage in black propaganda or the type of activity known during the war as S.O., which included ranger and commando raids, behind-the-lines sabotage, and support of guerrilla warfare. Section 102 (d) (4) provides that it shall be the duty of the Agency to perform for the benefit of existing intelligence agencies such additional services of common concern as the National Security Council determines can be more efficiently accomplished centrally. Section 102 (d) (5) provides that the Agency shall perform such other functions and duties related to intelligence affecting the national security as the NSC may direct. Taken out of context and without knowledge of its history, these Sections could bear almost unlimited interpretation, provided the service performed could be shown to be of benefit to an intelligence agency or related to national intelligence.

2. Thus, black propaganda, primarily designed for subversion, confusion, and political effect, can be shown incidentally to benefit positive intelligence as a means of checking reliability of informants, effectiveness of penetration, and so forth. Even certain forms of S.O. work could be held to benefit intelligence by establishment of W/T teams in accessible areas and by opening penetration points in confusion following sabotage or riot. [In our opinion, however, either activity would be an unwarranted extension of the functions authorized in Sections 102 (d) (4) and (5).] This is based on our understanding of the intent of Congress at the time these provisions were enacted.

3. A review of debates indicates that Congress was primarily interested in an agency for coordinating intelligence and originally did not propose any overseas collection activities for CIA. The strong move to provide specifically for such collection overseas was defeated, and, as a compromise, Sections 102 (d) (4) and (5) were enacted, which permitted the National Security Council to determine the extent of the collection work to be performed by CIA. [We do not believe that there was any thought in the minds of Congress that the Central Intelligence Agency under this authority would take positive action for subversion and sabotage.] A bitter debate at about the same time on the State Department's Foreign Broadcast Service tends to confirm our opinion. Further confirmation is found in the brief and off-the-record hearings on appropriations for CIA.]

25 September 1947

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4. Aside from the discussions of normal departmental expenses for CIA as a whole, approval was given to the unvouchered funds requested by the Director of Central Intelligence mainly for the specific purpose of conducting clandestine intelligence operations outside the United States. [We believe that there was no intent to use either the vouchered or unvouchered funds for H.O. or S.O. work. Either of these activities would require establishment of a new branch of office, employment of considerable personnel, the procurement of huge quantities of all types of goods and materials, and large sums for expenses of administrative support and incidentals. We believe this would be an unauthorized use of the funds made available to CIA. It is our conclusion, therefore, that neither H.O. nor S.O. should be undertaken by CIA without previously informing Congress and obtaining its approval of the functions and the expenditure of funds for those purposes.]

5. There is, however, one function now being properly performed by CIA which is so closely related to the matters discussed above as to be mentioned in connection therewith. An important by-product of the clandestine intelligence function is the acquisition of extensive information on plans in Western Europe for establishment of resistance movements in the event of further extension of Communist control. These plans include training of agents and W/T's, organizing groups, providing outside contacts, and every other form of resistance. It is on such groups that H.O. and, particularly, S.O. would depend for most efficient function.

6. It is felt that this body of information might be the basis for consideration by the National Security Council, or a sub-committee thereof, in order to form a basic policy of cooperation with planned or actual resistance movements and to assign the implementation of such policy to the proper agency or body. If such implementation were then assigned to CIA, it would, we feel, still be necessary to go to Congress for authority and funds.

LAWRENCE R. HOUSTON  
General Counsel

LRH:abt

**TRANSCRIBED PAGES FOLLOW**

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5. There is, however, one function now being properly performed by CIA which is so closely related to the matters discussed above as to be mentioned in connection therewith. An important by product of the clandestine intelligence function is the acquisition of extensive information on plans in Western Europe for establishment of resistance movements in the event of further extension of Communist control. These plans include training of agents and W/T's, organizing groups, providing outside contacts, and every other form of resistance. It is on such group that M.O. and, particularly, S.O. would depend for most efficient function.

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